April 28, 2004

SENT BY E-Mail, and
First Class U.S. Mail

Cheryl M. Kimball
Keegan, Werlin & Pabian, LLP
265 Franklin Street
Boston, MA 02110

Re: New England Gas Company, D.T.E. 04-06

Dear Ms. Kimball:

Enclosed is the second set of information requests by the Department of Telecommunications and Energy to New England Gas Company regarding the above-captioned matter. Please submit copies of the Company's responses to the information requests to the Department by 5:00 p.m., May 11, 2004.

Should you have any questions please contact me at (617) 305-3762. Thank you for your prompt attention to this matter.

Sincerely,

Jody Stiefel
Hearing Officer

Enc.
cc: Service List
Mary Cottrell, Secretary

SECOND SET OF INFORMATION REQUESTS OF
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
NEW ENGLAND GAS COMPANY

Pursuant to 220 C.M.R. 1.06(6)(c), the Department of Telecommunications and Energy ("Department") hereby submits to New England Gas Company ("New England" or "Company") the following information request(s) with respect to the December 30, 2003 Forecast and Supply Plan filing, D.T.E. 04-06.

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.

2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.

3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.

4. The term "provide complete and detailed documentation" means:

   Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.

5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche,

computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.

7. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department, one copy to the Service List, four copies to Andreas Thanos, of the Department's Gas Division, and submit one copy of the responses to Jody M. Stiefel, Hearing Officer.

Request

DTE 2-1 Refer to page 2 of the Company's filing. Please discuss why the Company chose to present the Combined forecast in the format submitted in North Attleboro Gas Company D.T.E. 01-47, instead of submitting it in the format used in Fall River Gas Company, D.T.E. 99-26 (2000).

DTE 2-2 Refer to page 3 of the Company's filing.

(a) Please describe in greater detail the actual processes involved in supporting the North Attleboro service area with the peaking supply facilities of the Fall River service area. How are the Fall River peaking supply facilities able to support the North Attleboro service area?
(b) What are the theoretical and practical constraints of using the Fall River on-system peaking supply facilities for both the Fall River and North Attleboro service areas.
(c) Provide any analysis performed by the Company which supports the point that Fall River's peaking facilities can be used to support both the Fall River and North Attleboro service areas.
(d) Provide a chart identifying the level of unused capacity of the Fall River peaking facilities during extreme weather conditions over the past heating season.
(e) Describe how the Fall River facility would be utilized during extreme cold weather conditions. Describe the dispatch methodology that will be used. Does one service area have priority over the other with regards to use of the peaking facilities?

DTE 2-3 Please comment on the cost sharing implications associated with the Company's plan to use Fall River peaking facilities to support the North Attleboro service

area and to grant Fall River access to North Attleboro's pipeline resources. Will the North Attleboro compensate Fall River ratepayers for use of the facilities? Similarly, with Fall River compensate North Attleboro ratepayers for use of the pipeline resources? Please provide all assumptions, calculations and back up materials.

DTE 2-4 Refer to pages 6-7 of the Company's filing. Describe whether Management Applications Consulting, Inc. ("MAC") was selected to assist the Company as the result of a competitive bidding process. If yes, please provide a list with the names of the other consultants contacted and an analysis supporting the Company's selection of MAC. If no, please discuss why not.

DTE 2-5 Refer to page 7 of the Company's filing. Why was MAC compelled to verify the statistical reliability of the degree day as an explanatory variable? Is this a necessary step in the forecast and supply planning process?

DTE 2-6 Refer to page 9 of the filing. Does the design year standard actually influence the sizing of vaporization capacity, storage and refill capacities for local liquid propane ("LP") air and liquefied natural gas ("LNG") production facilities when evaluated in conjunction with the design-day standard? Please clarify this statement.

DTE 2-7 Please refer to page 33 of the filing. Will the use of Hubline volumes instead of the Distrigas FCS contract volumes at all change the Company's methodology for refilling the Company LNG tank?

DTE 2-8 Refer to page 5 of the Company's filing. Please discuss what "miscellaneous-use gas" is.

DTE 2-9 Refer to page 19 and Schedule 2-10 of the Company's filing, regarding the sendout and sales regression models please:

(a) explain what the Company uses those regression models for;
(b) define all the independent variables used for regression models of total sendout and sales equations;
(c) state the econometric technique used to estimate the parameters of the models;
(d) state the underlying assumptions of the method(s) used by the Company to estimate the equations, and explain how the Company tested these assumptions to ensure that none of them is violated. Please, provide

evidence to support your answer (e.g., present Durbin-Watson test and show that serial autocorrelation is not a problem);

(e) specify the period for which the Company compares actual to predicted daily sendout;

(f) explain the differences in purpose between sendout and sales regression models and the regression models presented in Volume II of the Company filings.

DTE 2-10 Please describe in detail how the Company developed the normal year sendout forecast. Provide the normal year sendout forecast and the average growth rate for the forecast period.

DTE 2-11 Please describe in detail how the Company developed the design year, design day and cold snap sendout forecasts. Provide the design year, design day and cold snap sendout forecasts and the average growth rate of each of them for the forecast period.

DTE 2-12 Please refer to page 22 of the Company's filing. The Company states that vehicular natural gas has not grown rapidly and is not considered to be a likely factor in the planning horizon within the Company's service territory. In this regard, please present a Table with loads corresponding to vehicular natural gas over the last 10 years.

DTE 2-13 Please stress any difficulties the Company faced when forecasting for the first time for the combined Fall River and North Attleboro service areas (e.g., homogeneity of data). Discuss how the Company solved those difficulties.

DTE 2-14 Refer to page 30 of the Company's filing. Please present evidence proving that data from Bristol County are appropriate proxy of the Company's combined service territory

DTE 2-15 Please refer to page 23 of the Company's filing. The Company states that it has quantified the benefits of the potential DSM measures for the purposes of developing the load forecasts using the standards established by the Department in Energy Efficiency Programs, D.T.E. 98-100 (1999). In this regard, please explain how the Fall River's settlement agreement approved in Fall River Gas Company, D.T.E. 01-30 (2001) is used to derive the DSM savings to be used in the forecast and supply plan.

DTE 2-16 Please refer to page 24-25 of the Company's filing. The Company states that it uses forecast of the exogenous variables developed by MAC,Global Insight, Inc.

("GI"), the State Data Center, and the Massachusetts Institute for Social and Economic research ("MISER"), please:

(a) discuss the methodology used to forecast each exogenous variable used in the final specification of the econometric models;
(b) discuss how confident the Company is on those forecasts. Please, provide a measure of predictive ability (e.g., backcast).

DTE 2-17 Please refer to page 25 of the Company's filing. Please discuss the following statement: "Each of these nine quarterly models was then prorated to months based on a ten year monthly average." Provide an example of how the Company prorated to months using the data of one of the following models : model 3, (Appendix VI-C at 1-1); model 6 (Appendix VI-F at 1-1); model 9 (Appendix VI-I at 1-1); and model 12 (Appendix VI-L at 1-1).

DTE 2-18 Please explain the underlying assumptions used to forecast the number of C&I low and high load factor firm transportation customers over the forecast period.

DTE 2-19 Please explain the underlying assumptions used to forecast the number of C&I low and high load factor firm transportation usage over the forecast period.

DTE 2-20 Refer to page 28 of the Company's filing. The Company states that it performed a low-case scenario forecast assuming zero growth in population, personal income and employment, a ten percent increase in gas prices, and a ten percent decrease in oil prices over those used in the base-case scenario. In this regard, please:

(a) explain how the Company derived the low-case scenario for the forecast of those variables whose models do not include any of the variables mentioned above (e.g., number of residential regular customers, C&I LLF usage, C&I HLF usage, and company use);
(b) justify the criterion selected by the Company to define the low-case scenario;
(c) provide a Table containing low-case scenario sendout, by customer class for the forecast period.

DTE 2-21 Refer to page 28 of the Company's filing. The Company states that it performed a high-case scenario forecast assuming double growth in population, personal income and employment, a ten percent decrease in gas prices, and a ten percent increase in oil prices over those used in the base-case scenario. In this regard, please:

(a) explain how the Company derived the high-case scenario for the forecast of those variables whose models do not include any of the variables mentioned above (e.g., number of residential regular customers, C&I LLF usage, C&I HLF usage, and company use);
(b) justify the criterion selected by the Company to define the high-case scenario;
(c) provide a Table containing high-case scenario sendout, by customer class for the forecast period.

DTE 2-22 Please refer to page 6 of the Company's Filing. The Company states that the weather data was provided by Weather Services International. Please address the following:

(a) provide location and address of the data collection instruments.
(b) have Fall River and North Attleboro utilized this Service before?
(c) have other operators in New England employed this Service?
(d) credentials of the decision makers employed at Weather Services International?

DTE 2-23 Has the integration of the Fall River division and the North Attleboro division been a direct additive function with respect to the forecast?

DTE 2-24 Regarding forecast of reverse migration, please:

(a) explain how the Company forecasted reverse migration of non-capacity exempt transportation customers;
(b) present the forecast results for the period 2003/04-2007/08.

DTE 2-25 Refer to Volume II, page E-4 of the Company's filing. The Company states that the econometric forecasts of the number of C&I low and high load factor customers were developed by first forecasting the number of C&I customers including transportation customers. The existing C&I low and high load factor transportation customers were then subtracted from the forecasted C&I customers including transportation. Please:

(a) provide a Table containing the following columns: year (1998-2007), total C&I low load factor number of customers (including transportation customers), total C&I high load factor number of customers (including transportation customers), existing C&I low load factor number of transportation customers, existing C&I high load factor number of transportation customers, total C&I low load factor firm sales number of

customers, and total C&I high load factor firm sales number of customers;

(b) explain why the Company did not forecast the number of firm transportation C&I low and high load factor customers.

DTE 2-26 Refer to Volume II, page E-4 of the Company's filing. Please explain how the forecast of use per C&I firm sales customer (low and high load factor) was calculated and explain the underlying assumptions.

DTE 2-27 Referring to page 25 of the Company's filing, the Company states that it used nine models to forecast the Company's sendout. Referring to Volume II, MAC-1, at 9-10, Econometric Models, the Company states that there were 13 models used in the Company's total sendout. Please clarify the number of models the Company used to forecast firm sendout.

DTE 2-28 Please outline the qualities of a good forecasting model and show how the regression analysis used by the Company to forecast demand for gas satisfy these qualities.

DTE 2-29 Regarding the econometric models presented in Volume II, Appendix VI of the Company's filing, please:

(a) state the econometric techniques used to estimate the parameters of the models;
(b) state the underlying assumptions of the method(s) used by the Company to estimate the equations, and explain how the Company tested these assumptions to ensure that none of them is violated. Please, provide evidence to support your answer;
(c) indicate the criterion(a) (e.g., level of statistical significance of the estimates) selected by the Company to determine whether or not an independent variable has explanatory power;
(d) explain how the Company tested for the predictive ability of the models. Provide evidence to support your answer.

DTE 2-30 Please refer to Volume II, Appendix VI-A at page 1-1 of the Company's filing, the econometric model "Residential Regular Customers", please address the following:

(a) the regression equation presents a Durbin-Watson statistics of 1.272. Does that imply the present of serial autocorrelation?

(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) present the quarterly backcast of the "residential regular customers" variable for the period 1998-2002;
(d) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-31 Refer to page 29 of the Company's filing. The Company states that the decline in the number of residential non-heating customers is the result of customer conversions to the residential heating class. Did the Company use the econometric models to draw that conclusion? Please discuss.

DTE 2-32 Please refer to Volume II, Appendix VI-B at 1-1 of the Company's filing, the econometric model "Residential Regular Usage", please address/discuss the following:

(a) the regression equation presents a Durbin-Watson statistics of 0.935. Does that imply the present of serial autocorrelation?
(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) present the quarterly backcast of the "residential regular usage" variable for the period 1998-2002;
(d) discuss and evaluate the results obtained above in terms of the predictive ability of the model;
(e) discuss the rationale for including the weather variable to explain the residential regular usage. Is the residential regular usage weather sensitive? Please discuss.

DTE 2-33 Please refer to Volume II, Appendix VI-C at 1-1 of the Company's filing, the Monthly Residential Regular Sales model please:

(a) explain in detail how the Company transformed quarterly number of customers data into monthly data;
(b) explain in detail how the Company transformed quarterly usage data into monthly data;

(c) present the monthly backcast of the "number of customers" and "regular usage" and evaluate the results obtained in terms of the predictive ability.

DTE 2-34 Please refer to Volume II, Appendix VI-D at 1-1 of the Company's filing, the econometric model "Residential Heating Customers", please:

(a) explain the rationale for including the third-quarter dummy variable in the model and discuss the meaning of the negative sign of its estimate;
(b) the variable "quarterly Bristol County total personal income" has an associated t-statistics of 0.939. Does the Company consider this variable statistically significant? Please discuss;
(c) is the variable above used for forecasting "residential heating customers"? Why?
(d) discuss how confident the Company is regarding its forecast when using statistically insignificant estimates;
(e) present the quarterly backcast of the "residential regular usage" variable for the period 1998-2002;
(f) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-35 Please refer to Volume II, Appendix VI-E at 1-1 of the Company's filing, the econometric model "Residential Heating Usage", please:

(a) the regression equation presents a Durbin-Watson statistics of 1.158. Does that imply the presence of serial autocorrelation?
(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) explain the rationale for including the third- quarter dummy variable in the model and discuss the meaning of the positive sign of its estimate;
(d) the Company used the variable "quarterly residential heating gas price, 3 year average, 2 year lag." Please explain the meaning of this variable, how it was computed and the rationale for including it in the model (e.g., why three year average, why two year lag);
(e) present the quarterly backcast of the "residential heating usage" variable for the period 1998-2002;
(f) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-36 Please refer to Volume II, Appendix VI-F at 1-1 of the Company's filing, the Monthly Residential Heating Sales model, please:

(a) explain in detail how the Company transformed quarterly number of customers data into monthly data;
(b) explain in detail how the Company transformed quarterly usage data into monthly data;
(c) present the monthly backcast of the "number of customers" and "regular usage" and evaluate the results obtained in terms of the predictive ability.

DTE 2-37 Please refer to Volume II, Appendix VI-G at 1-1 of the Company's filing, the econometric model "C&I LLF Customers including transportation", please:

(a) the regression equation present a Durbin-Watson statistics of 0.873. Does that imply the presence of serial autocorrelation?
(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) explain the rationale for including the third- quarter dummy variable in the model and discuss the meaning of the negative sign of its estimate;
(d) present the quarterly backcast of the "C&I LLF customers, including transportation" variable for the period 1998-2002;
(e) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-38 Please refer to Volume II, Appendix VI-H at 1-1 of the Company's filing, the econometric model "C&I LLF Usage including transportation", please:

(a) the regression equation presents a Durbin-Watson statistics of 2.829. Does that imply the presence of serial autocorrelation?
(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) present the quarterly backcast of the "C&I LLF customers, including transportation" variable for the period 1998-2002;
(d) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-39 Please refer to Volume II, Appendix VI-I at 1-1 of the Company's filing, the Monthly C&I LLF Sales model, please:

(a) explain in detail how the Company transformed quarterly number of customers data into monthly data;
(b) explain in detail how the Company transformed quarterly usage data into monthly data;
(c) present the monthly backcast of the "number of customers" and "regular usage" and evaluate the results obtained in terms of the predictive ability.

DTE 2-40 Please refer to Volume II, Appendix VI-J at 1-1 of the Company's filing, the econometric model "C&I HLF Customers including transportation." Please address the following:

(a) the regression equation presents a Durbin Watson statistics of 1.057. Does that imply the presence of serial autocorrelation?
(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) explain the rationale for including the third-quarter dummy variable in the model and discuss the meaning of the negative sign of its estimate;
(d) the Company used the variable "quarterly #2 oil price, 2 year average". Please explain the meaning of this variable, how it was computed and the rationale for including it in the model (e.g., why a two-year average);
(e) explain the rationale for including the variable "quarterly average C&I LLF including transportation customers in the model"; what is the relation between the number of C&I LLF customers and the number of HLF C&I customers;
(f) present the quarterly backcast (weather normalized) of the "residential heating usage" variable for the period 1998-2002;
(g) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-41 Refer to Volume II, Appendix VI-K at 1-1 of the Company's filing, the econometric model "C&I HLF Usage including transportation", please:

(a) the regression equation presents a Durbin Watson statistics of 0.902. Does that imply the presence of serial autocorrelation?

(b) did the Company correct the serial autocorrelation problem? If yes, please describe the method(s) used by the Company to correct it. If not, please correct for serial autocorrelation and describe the method(s) used by the Company to correct it;
(c) present the quarterly backcast of the "C&I HLF customers, including transportation" variable for the period 1998-2002;
(d) discuss and evaluate the results obtained above in terms of the predictive ability of the model.

DTE 2-42 Refer to Volume II, Appendix VI-B at 1-1 of the Company's filing, the Monthly C&I HLL Sales model, please:

(a) explain in detail how the Company transformed quarterly number of customers dat into monthly data;
(b) explain in detail how the Company transformed quarterly usage data into monthly data;
(c) present the monthly backcast of the "number of customers" and "regular usage" and evaluate the results obtained in terms of the predictive ability.

DTE 2-43 Please provide the quarterly backcast of the aggregated firm sendout and discuss and evaluate the results obtained for the period 1998-2002.

DTE 2-44 How often does the Company plan to monitor and evaluate the forecast results with respect to the actual figures?

DTE 2-45 How often and by whom, are forecast and supply plans reviewed prior to and after their submission to the Department?

DTE 2-46 Please describe the level of training, technical competence, and industry experience of each Company employee who was directly involved in the formulation of the Company's forecast and supply plan.

DTE 2-47 Please describe the level of training, technical competence, and industry experience of each MAC staff person who was directly involved in the preparation of the Forecast and Supply Plan.

DTE 2-48 Please provide information on transportation service for the period 1996-present at seasonal basis (heating and non-heating seasons) as it is depicted in Table 1 below.

DTE 2-49 Please provide information on reverse migration experienced by the Company during the period 1996-present on a seasonal basis (heating and non-heating seasons) as depicted in Table 2 below.

Table 1: Transportation Service

Season-Year	Capacity Exempt			Non-Capacity Exempt		
	Number of Customers / % over Company's customer class	Volume (MMBtu) / % over Company's customer class	Use per Customer	Number of Customers / % over Company's customer class	Volume (MMBtu) / % over Company's customer class	Use per Customer
R. Regular						
R. Heating						
C&I LLF						
C&I HHF						
Total						

Table 2: Reverse Migration

Season-Year	Capacity Exempt			Non-Capacity Exempt		
	Number of Customers / % over total transp.	Volume (MMBtu) / % over total transp.	Use per Customer	Number of Customers / % over total transp.	Volume (MMBtu) / % over total transp.	Use per Customer
R. Regular						
R. Heating						
C&I LLF						
C&I HHF						
Total						

DTE 2-50 Please refer to page 6 of the Filing. What are the variables that distinguish effective degree days from conventional degree days?

DTE 2-51 Please refer to page 8 of the Filing. Explain why the Company chose to develop the "normal year" from the average of the last 20 years of daily effective degree day data and not from effective degree day data covering a shorter or longer period.

DTE 2-52 Please explain why the Company based the "design day" on a one in fifty one year probability of occurrence.

DTE 2-53 In planning for a normal year, is the Company's "design day" (74.4 EDD) used as the coldest day? If not, is a warmer day used?

DTE 2-54 Please explain the consequences of a design day exceeding 74 EDD?

DTE 2-55 If the customer base expands during the forecast period, would this impact the design day value of 74 EDD?

DTE 2-56 Refer to the Company's Filing at Schedule 2-1. The Company omitted 2002-2003 in the upper section of the table. Please explain.

DTE 2-57 Refer to the Company's Filing at Schedule 2-1. Please provide the data for the preceding ten years (1983-1993).

DTE 2-58 If a design year were to have a cold snap within it, please describe how the Company will meet its firm customers' demand for natural gas over the forecast period.

DTE 2-59 Referring to page 21, the Company stated that it has not identified any significant additional load except for the unlikely possibility of new electric generation load. What specific special considerations would the Company expect in the event of new electric generation load.

DTE 2-60 Does the Company foresee limitations on its ability to provide for further load growth in either the Fall River or North Attleboro Service areas.

DTE 2-61 Please refer to page 22 of the Company's filing. What specific studies or other information has the Company referred to in its consideration of vehicular gas market?

DTE 2-62 Please refer to page 23 of the Company's filing. What amount of DSM savings does the Company expect from the North Attleboro Service Area after the institution of their DSM program? Explain in detail and include all reference materials and work papers.

DTE 2-63 Please refer to page 23 of the Company's filing. Has the Company identified any further DSM programs that could be utilized for both service areas to produce greater load reduction? If so, please describe. If not, has there been further study in this area by the Company. If so, what were the conclusions of the study.

DTE 2-64 Please refer to page 24 of the Company's filing. List the federal and state agencies that provided the primary data sources. Identify and list the data obtained from these agencies.

DTE 2-65 Please refer to page 24 of the Company's filing, the demographic and economic data used in the filing which was supplied by Global Insight, State Data Center and the Massachusetts Institution for Social and Economic Research. Define the data supplied by each resource, be specific and provide all work papers.

DTE 2-66 Please refer to page 26 of the Company's filing. Please provide all information as to the meetings held with the Company's marketing department, marketers and transportation and sales customers concerning expected migration.

DTE 2-67 Please refer to page 33 of the Company's filing. Provide a list of bid information for the RFP suppliers contacted for the Conoco Phillips contract.

DTE 2-68 Please refer to page 33 of the Company's filing. Discuss in detail the compensation clause of the contract with Conoco Phillips and provide all related materials.

DTE 2-69 Please refer to page 34 of the Company's filing. Discuss the results of meeting with Duke Energy Transmission regarding the bundling of transportation and storage contracts. Provide all back-up materials used for analysis.

DTE 2-70 Please refer to page 34 of the Company's filing. Discuss the results of the inquiry with Duke Energy Transmission regarding the combining of the Fall River and North Attleboro Service Areas under a single operational balancing agreement. Provide all back-up materials.

DTE 2-71 Please refer to page 40 of the Company's filing. Discuss in detail the evaluation and cost-effectiveness process used to determine the purchase of resources if additional winter resources are needed.

DTE 2-72 Please refer to page 42 of the Company's filing. What is Conoco Phillips' credit rating?

DTE 2-73 Please refer to page 44 of the Company's filing. Discuss the recent asset management RFP and any information regarding this meeting.

DTE 2-74 For the period January 1, 2004 through February 1, 2004, please discuss the following:

(a) Did the Company lose customers due to pressure loss?
(b) Did the Company acquire commodity on the spot market? If yes, please indicate the date(s), volume(s), and the rate(s) paid; and
(c) Did the Company rely on another regional LDC for commodity to meet its customers' requirements during this period?